

## **Section 1.1 Human Resource System (HRS) History**

### ***HRS History***

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From the inception of Michigan State government until the early 1950s, personnel and payroll processing were manual operations. Each department, agency and/or office was responsible for its own employees. As the number of employees began to increase, necessity inspired the development of systems using accounting machines to help with payroll processing. Personnel records were still manually maintained. Keeping track of sick and annual leave usage and accruals, recording hours worked for longevity payments and making payments to third parties were a few of the personnel functions that were completed by hand.

In 1951, the legislature charged what was then the Department of Administration with the responsibility of handling the payroll for the entire State, approximately 20,000 employees. This was the beginning of the first centralized payroll. Personnel record keeping, however, remained a manual operation.

In the early 1960s, the State government workforce grew to approximately 30,000; it was also the beginning of the computer age. With a computer, payroll was processed much faster, but personnel processing continued to be a manual operation until the fall of 1973. In 1973, the Department of Licensing and Regulation piloted the conversion of the entire State to the new Payroll/Personnel System (PPS).

The development of PPS marked the beginning of automated personnel processing. All of the State's personnel records were combined into one centralized Employee Master File. Most of the record keeping was done automatically via a computer network that collected personnel data change transactions and processed them by batch in the evening. There were many "first time" innovations with PPS that changed and improved payroll and personnel processing. However, the State workforce continued to grow, and the personnel and payroll processing changed dramatically due to many new requirements, such as the collective bargaining process. PPS could not keep up with the new user needs. In the early 1980s, the task of updating PPS began as a joint effort among several departments and agencies. The result of this update was the development of the Personnel Payroll Information System for Michigan (PPRISM). It was implemented in 1987.

PPRISM was an on-line database system that allowed immediate updating and inquiry of personnel and payroll records. The system was maintained by the Department of Treasury until October 1994 when an Executive Order moved the responsibility to the Department of Management and Budget as part of the Michigan Administrative Information Network (MAIN). Personnel and Payroll functions now became part of the State's financial management system. Data exchanges between PPRISM and MAIN FACS (Financial Administration and Control System) increased efficiency by sharing accounting/financial information, thus eliminating the need for duplicate adjustment entries. Other enhancements added new transactions, upgraded a number of existing programs to interact with MAIN systems, and replaced or redesigned files to work with the new system structure.

Due to changes in technology, the State began to review the possibility of enhancing the way Time and Attendance hours and labor distribution was collected and processed. Agencies relied on various methods to capture time and attendance and labor distribution data. As a result, some agencies developed their own subsystems in-house to capture data. Requirements for a single statewide system were identified by the agencies. Based on the needs identified, it was decided that a client/server technology offered the most flexibility and met user's requirements. In October 1996, the MAIN HRS Data Collection and Distribution System (DCDS) was implemented beginning with three pilot agencies. The remaining agencies were implemented by the end of 1999. The primary purpose of DCDS is to support the capture of time and attendance, labor distribution data, and provide extended labor distribution functionality. This is accomplished by the distribution of information being captured along with time and attendance hours. In addition, the system is intended to support the capture of equipment usage and activity data. Future plans for DCDS include a statewide time clock interface and Web time and attendance entry.

As technology continued to change and the PPRISM system aged, it became apparent that Personnel processing should be enhanced to take advantage of these new technologies. Therefore, in 1998 the State purchased the Lawson Insight Human Resources software as the foundation for the Human Resource Management Network (HRMN). HRMN was implemented statewide in March 2001. This system utilizes Client Server and Web technology to administer payroll, personnel and benefit functions. Implementation of HRMN replaced three systems: PPRISM (Personnel Payroll Information System for Michigan), ACCEL (Applicant Creation and Certification of Employment List) and PPS (Personnel Payroll System). The combination of these systems into one integrated system allows Human Resource staff, managers and employees improved access to information, plus greater flexibility and efficiency in Human Resource management processes.